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WEEKLY REPORT



THE SITUATION IN SOUTH VIETNAM

16 June 1965

INTELLIGENCE AND REPORTING SUBCOMMITTEE OF THE INTERAGENCY
VIETNAM COORDINATING COMMITTEE

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THE SITUATION IN SOUTH VIETNAM

(10 June - 16 June 1965)

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The Weekly Report on the Situation in South Vietnam is based on contributions from CIA, DIA, and INR edited and published by CIA without final coordination. A fully coordinated Monthly Report is disseminated the first Friday of every month.

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THE WEEK IN PERSPECTIVE

The resumption of governmental authority by South Vietnam's military leaders poses the country with a new internal shake-up at a time when the armed forces already have to cope with a major Viet Cong summer offensive. The generals primarily involved in the military's return to power appear determined on strong measures which would mobilize the country behind the war effort. However, it remains questionable that they possess the political skill to carry out these measures without provoking new disruptions among the country's civilian factions, or to avoid new infighting among themselves over the fruits of power.

The violence and pattern of Viet Cong activity over the past two weeks leaves no doubt that their summer campaign is underway. Coordinated multi-battalion-size attacks against isolated district and provincial capitals can be expected as the enemy continues his present campaign aimed at the destruction of government forces and influences in the countryside. Further, as the enemy maintains the current pattern of interdiction against lines of communications, achieving more permanent destruction of road and rail facilities, pockets of rural population concentrations in the countryside will become increasingly more isolated and vulnerable to enemy attack.

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I. THE SITUATION WITHIN SOUTH VIETNAM

A. POLITICAL SITUATION

1. South Vietnam's generals peacefully took over control of the government on 11 June with the concurrence of Premier Quat. This development was the outcome of Quat's request two days earlier that the military leaders attempt to mediate the protracted impasse between himself and Chief of State Suu over proposed cabinet changes, as well as the grievances raised by Catholics and their southern-oriented allies in the course of a mounting campaign to topple the Quat government.

2. In taking over, the military made a clean sweep, abolishing the provisional charter which was put in effect last October, and eliminating the National Legislative Council. However, they retained Premier Quat and his present cabinet in a caretaker capacity, pending the establishment of new government institutions and policies and the creation of a new "war" cabinet. The military themselves have apparently absorbed the powers of the legislature and of the chief of state, although Premier Quat told embassy officials that Suu was also being retained as acting chief of state.

3. On 14 June, the armed forces announced that a "military leadership committee" would be formed, consisting of ten military officers. This council or committee is intended to be the supreme governing authority, with responsibility for determining the policies and structure of the government, as well as its composition. The armed forces communique also announced that General Nguyen Van Thieu, Quat's vice premier and defense minister, had been named chairman of the committee. He is expected eventually to assume the title of chief of state. Major General Pham Xuan Chieu, the former chairman of the National Legislative Council, was named secretary-general of the new committee, and air force chief Brigadier General Ky its member in charge of

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"directing the executive branch." The other seven members of the ruling council are to be those officers serving as defense minister, chief of the general staff, and as commanders of the military corps areas, including the capital district around Saigon.

4. Although the communique announcing the new committee is vague as to whether Ky will supervise the government or actually head it, Ambassadors Taylor and Johnson were told earlier on 14 June by Ky, Thieu, and Quat that Ky would become the new premier; the rationale for Ky's projected appointment was that no civilian has the strength to maintain discipline among South Vietnam's mutually antagonistic political and religious factions. The military envisage that the new cabinet itself will include only five ministers, or commissars. Three of these would be "superministers" of war, economy, and education and welfare, supervising subministries or commissariats in related fields; the other two would be separate ministries of foreign affairs and justice.

5. Certain generals and members of the Quat caretaker government have indicated that efforts are afoot to try to dissuade General Ky from directly assuming the premiership himself. These efforts stem from a belief that, while well-intentioned, Ky is impetuous and politically immature. In addition, Ky, along with I Corps commander General Thi, has long been suspected by the Catholics of being under Buddhist influence, and his emergence as government leader could have serious repercussions. At the present time, however, there are indications that Ky is proceeding with efforts to set up a cabinet by the end of the week, with himself as premier. The cabinet, to be called the "committee for administration" will apparently include both military and civilian ministers

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6. Ky appears to have been once of the key advocates among the generals of a full takeover from Quat rather than of efforts to smooth over

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his problems with Suu and other political opponents. Preliminary indications of military thinking on the program of the new government also reflect ideas long held by Ky and an increasingly emergent military inner circle consisting of General Thi, the airborne and Ranger commanders, certain of the Corps commanders, and National Police Director Colonel Lieu. This group has urged a sweeping purge of "bad elements," including persons guilty of corruption or still tainted with support of the former Diem regime. Similar views have long been held by elements of the Buddhist hierarchy, including Tri Quang, who once expressed confidence that he could influence the thinking of younger generals.

7. General Thieu, in public statements, has projected a government program of increased austerity and civilian sacrifice, directed at mobilizing the country's resources behind the effort to defeat the Viet Cong. He has warned that malefactors and other "traitors" will be punished.

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8. Although Catholic circles appear relieved at Quat's resignation, they are showing concern over the direction of military rule. A coalition of Catholics and their allies among the Cao Dai, Hoa Hao, and southern Buddhist organizations--formed against Quat under the name of the "Citizens' Front of All Religions"--on 14 June issued a statement addressed to the military and voicing a "preference for a civilian revolutionary government." The statement, moderate in tone, is believed to have been designed primarily to impress the generals with the continued solidarity of the anti-Quat forces and their importance as a bloc. Another purpose may have been to head off the appointment of Ky, or Thi, as premier. One of the more extreme Catholic refugee priests has told the Embassy, however, that the Catholic reaction to military rule

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is "negative," and has warned that "there will be trouble" if the military seek to impose a dictatorship.

9. The reentry of the military into the political sphere may well divert the generals from the pressing needs of the current military situation, despite their intentions to put the country on a greater wartime footing. They may well run into serious difficulties with their proposed economic policies. There is little prospect that they will prove more skillful than the civilian leaders in attempting to heal the deep divisions in religious and political circles; to the extent that these divisions carry over into the military establishment itself, renewed infighting and maneuvering for position may well develop within top military circles. General Thieu, as the chief military spokesman and prospective chief of state, is apparently a compromise choice amid conflicting ambitions of younger officers, with the added advantage that, as a Catholic, he may make military rule more tolerable to an important civilian segment. There have already been reports of some criticism of Thieu by other generals, charging that he is "foot-dragging" or acting independently. There are also signs that Buddhists leader Tri Quang may be preparing to press for Thieu's replacement on the grounds that the new chief of state should not be allied with any religion.

Terrorism

10. A major bombing incident on 16 June at Saigon's Tan Son Nhut airport was probably directed at American servicemen and may presage a stepped up terrorist campaign against Americans as part of the general Viet Cong summer offensive. The bomb, estimated to have been a 10-20 pound plastic or TNT device, was apparently planted in the mezzanine above the civilian passenger area, and was possibly intended to detonate as some 100 US troops passed through the area, about 30 minutes earlier, for a chartered flight to the US. Even though this group escaped, the explosion caused

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extensive damage in the immediate vicinity, and wounded 46 persons, including 34 Americans, primarily from flying glass. No serious injuries were reported, and the terminal is in use after a temporary closure. Earlier, on 11 June, an apparent Viet Cong terrorist threw a briefcase containing a bomb at a US military bus in Saigon, but the bomb failed to detonate. The previous day, a bomb was thrown at a police headquarters in Saigon, killing three Vietnamese and wounding 12, but no Americans were in the area.

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B. MILITARY SITUATION

1. The Viet Cong summer campaign continues to gather momentum. The violence of the enemy's activities was manifested in numerous successful ambushes and attacks and by a determined Viet Cong effort to decimate the nation's transportation system.

The major action of the week centered around Dong Xoai in Phuoc Long Province and resulted in heavy casualties to both sides. The Viet Cong launched a regimental-size attack on the district town and during the five-day battle ambushed government relief forces which were committed to battle piecemeal via helicopters; the Viet Cong controlled the highways leading to Dong Xoai.

elements of two Viet Cong regiments participated in the fighting and that numerous enemy forces were positioned around all likely avenues of approach and helicopter landing zones. The Viet Cong engaged in the battle were heavily armed, and in view of the number of heavy weapons and quantities of ammunition brought into the captured compound, were prepared to remain in the town for a long period of time.

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The enemy attack on Dong Xoai emphasizes the fact that helicopter landing zones as well as vehicular convoys will be ambushed in the future and that the enemy will increase his efforts to control or sever land transportation routes. The Viet Cong emphasis on interdicting the nation's road and rail network has not diminished. It has become apparent over the past few weeks that the Communist attitude towards the transportation system has undergone a significant change. Previously, the Viet Cong seemed content to harass or cause only temporary damage to the transport system and its facilities. Recently, however, a reversal of this philosophy appears evident with what appears to be a deliberate attempt to cause sufficient permanent destruction to portions of the road and rail lines, particularly bridges, in order to make the entire system inoperable. As a result, large portions of main highways along the coast and leading into the interior are cut and the coastal railroad is operable from only Nha Trang southward for a distance of approximately 35 miles.

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The pattern of cutting lines of communications and the ambush appears designed in pursuit of two primary objectives: the isolation of major population centers, especially Saigon, and the destruction of government military forces whenever they can be lured into and isolated in the countryside. The isolation of Dong Xoai and the subsequent attack and ambushes exemplify this tactic; it is likely to be repeated in coming weeks.

2. Government operations reflect a growing defensive spirit on the part of South Vietnamese commanders, who are less willing to chance operations in the face of growing enemy power. Substantial losses suffered by ARVN at Dong Xoai and repeated successful Viet Cong ambushes are almost certain to increase the degree of cautiousness among ARVN commanders. Last week, large and small unit operations decreased slightly as did resultant contacts with the Viet Cong. In the I and II Corps zones, friendly operational activity was directed primarily at obtaining security along coastal Route 1. In III Corps, most operations were shifted from support of the Hop Tac effort to the major battle for Dong Xoai which resulted in two more ARVN battalions being rendered combat ineffective.

3. The casualty figures for the second straight week are grim, attesting to the violence of Viet Cong ambushes and attacks. Government casualties declined to 1,313 (436 KIA) from 1,876 (532 KIA), while Viet Cong losses increased to 619 (572 KIA) from 443 (359 KIA). (NOTE: COMUSMACV indicates that the 1,221 Viet Cong KIA reported last week included an estimated 826 KIA and that ARVN body count was only 359 KIA.) Government weapon losses declined to 658 from 1,109 while Communist weapon losses rose to 334 from 141 the previous week.

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C. RURAL RECONSTRUCTION

1. The first of 12 planned community centers was opened by the minister of social welfare in Tay Ninh city. This center, the prototype of those to be built in eleven other provincial capitals, consists of two three-classroom schools, a seven-bed maternity dispensary, a library, meeting room, and staff housing facilities.

2. Four joint USOM/MACV/GVN Rural Reconstruction Program Review teams were set up during the week. Each team is to be responsible for 11 provinces and will visit these provinces during late June and early July. The mission of these teams will be to review progress of the various Rural Reconstruction programs in each area and to make immediate decisions as to what may be necessitated by new circumstances.

3. The National Institute of Administration reports that 81 new graduates will be assigned to the provinces as deputy district chiefs for administration.

4. During the period 5-12 June, 1,842 persons returned to government control. Included in the total were 320 military and 146 political cadres; the balance were draft dodgers or civilian refugees. Fifty-seven individual weapons and 79 grenades were recovered. A new national Chieu Hoi center is to be built across the river from Saigon to replace the inadequate temporary center now located in Cholon.

5. Psychological warfare operations were highlighted last week by a mass defection of 74 Viet Cong during an operation being conducted by the 5th Division near Ben Cat in Binh Duong Province. The defectors were induced to surrender to government forces mainly by threats of airstrikes conveyed by airborne loudspeaker broadcasts. As a result of information received from one of the defectors, a successful operation was mounted against a Viet Cong training camp in the War Zone "D" area. The operation netted a large quantity of Communist supplies.

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II. THIRD COUNTRY DEVELOPMENTS

A. UNITED KINGDOM

On 12 June, the British Embassy in Washington discussed with the Department of State the possibility that they might propose to the Commonwealth Conference (which begins 17 June) that the 17 non-aligned nations join in an invitation for a conference on Vietnam having no preconditions to be attended by interested governments. The Department of State agreed that such a proposal might be useful and constructive but cautioned that only governments should be invited in order to avoid the problem of attendance by the Liberation Front.

B. ICC

A Canadian member of the ICC delegation in Saigon informed our embassy that the British have agreed to pay the United Kingdom ICC contribution in order to relieve the current financial difficulties of the ICC. A French Embassy official also informed our officials in Saigon that France would pay its share but said that the French were dissatisfied with the Indian accounting method.

Indian ICC Chairman Rahman stated that the ICC is on the verge of bankruptcy since no new funds had been received during the past seven months from the four ICC contributory nations, USSR, UK, Communist China, and France.

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C. REPUBLIC OF KOREA

On 15 June, the GVN submitted a request to the Republic of Korea for an ROK combat division. President Pak would like to obtain the authority for sending this unit from the current session of the National Assembly which adjourns 18 June.

D. NEW ZEALAND

Prime Minister Holyoake announced in late May that New Zealand is contributing 10,000 pounds (\$28,000 US) for refugee relief in South Vietnam.

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III. DEVELOPMENTS IN THE BLOC

A. LIBERATION FRONT

1. The Liberation Front's threat to call for volunteers from the armies of North Vietnam and friendly countries formed the core of bloc political propaganda this week. The Front has gained this right, according to its analysis, because of the 8 June announcement that US troops could be made available for combat in Vietnam.

2. Hanoi radio broadcast the Front statement on 9 June and an additional one on the 12th which added the assertion that "now more than ever before" a call for foreign volunteers "has all the necessary conditions to be materialized." Hanoi itself termed the alleged US action a "new and brazen step to intensify the war," but tempered this statement by playing down the effectiveness of US forces in South Vietnam.

3. Peiping also broadcast the Front statement, claiming that the US action gave China a "greater right" to back the Vietnamese people. The Chinese propaganda tended to play up the strength of the Viet Cong and to be optimistic over Viet Cong chances of victory, which would make unnecessary any actual commitment of Chinese forces in the Vietnamese war.

4. The Soviets repeated the Front's call for volunteers but made no mention of the specific reference to the armies of North Vietnam and friendly countries. The Moscow press repeatedly warned the US of the dangers of escalation, claiming that this new combat role would "aggravate the entire international situation." The Soviets also expressed their faith in a Viet Cong victory. In an interview on 31 May Premier Kosygin expressed his belief that the Viet Cong would win "even without outside help" if it took twenty years.

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B. AFRO-ASIAN CONFERENCE

1. The growing efforts on the part of Hanoi and the NFLSV to seek support for the seating of the Front as either a delegate or an observer at the upcoming Afro-Asian conference were reflected in the fact that both had high level delegations arrive in Africa this week.

2. DRV Foreign Minister Nguyen Duy Trinh and a party of Foreign Ministry officials arrived in Mali on 11 June. After meeting with Malian officials, the delegation departed for Guinea on the 14th. Trinh as foreign minister will probably attend the conference's meeting of Foreign Ministers on 24 June which will decide controversial seating issues.

3. Nguyen Van Hieu, a well-traveled and experienced Front diplomat, was received by high ranking UAR officials in Cairo on 13 June. Hieu, who attended the Algerian independence celebrations in Algiers last November, is reportedly to head the Front delegation to the Conference. According to a 14 June TASS broadcast, Hieu has demanded participation for the Front in the conference as a "full-fledged member." He is slated on 18 June to arrive in Algiers where he will hold consultations with Algerian officials prior to the opening of the conference.

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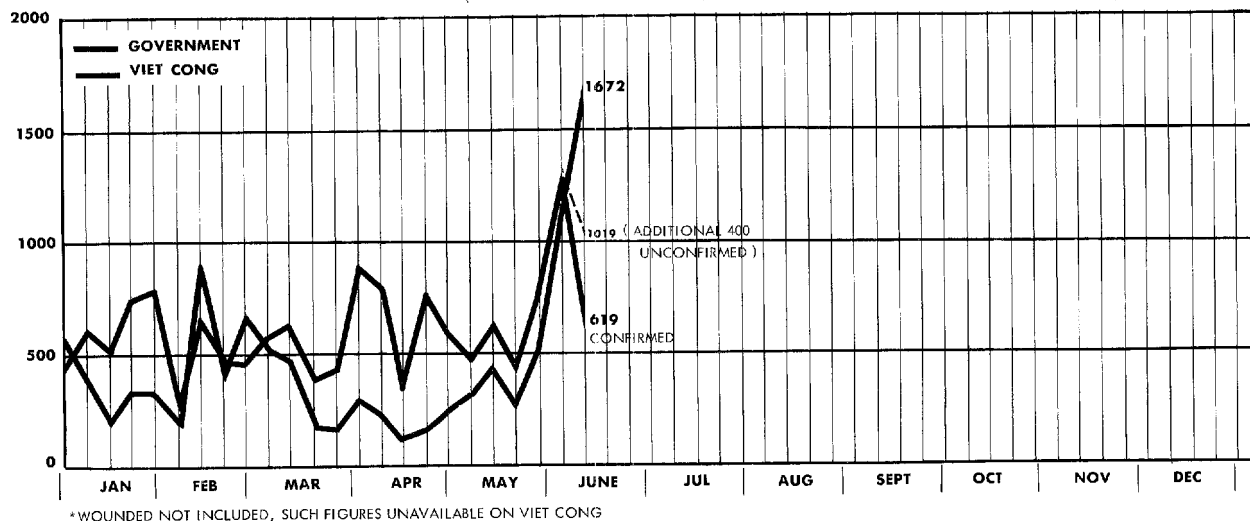
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SOUTH VIETNAM BATTLE STATISTICS, 1965

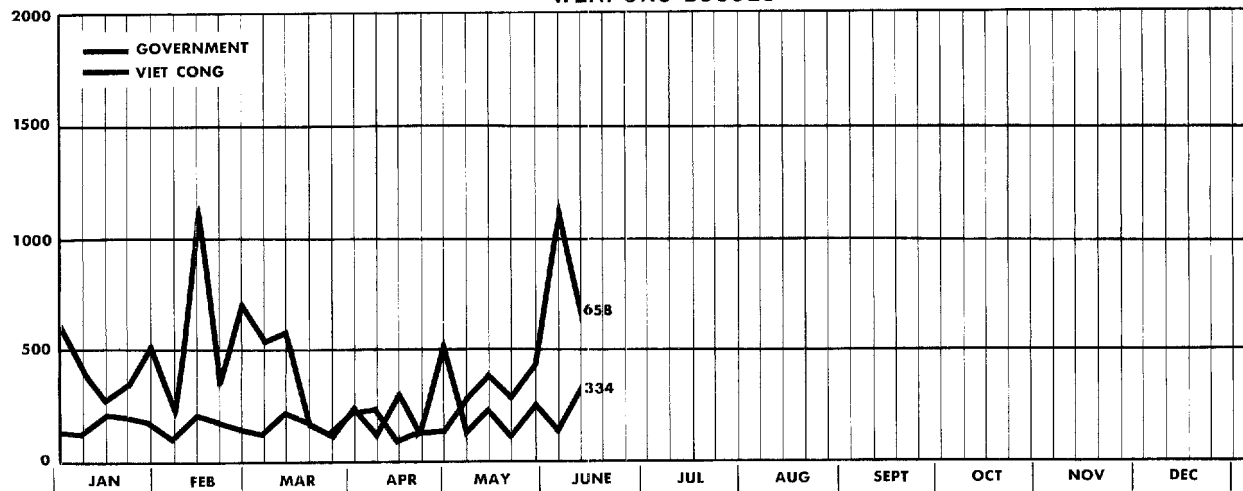
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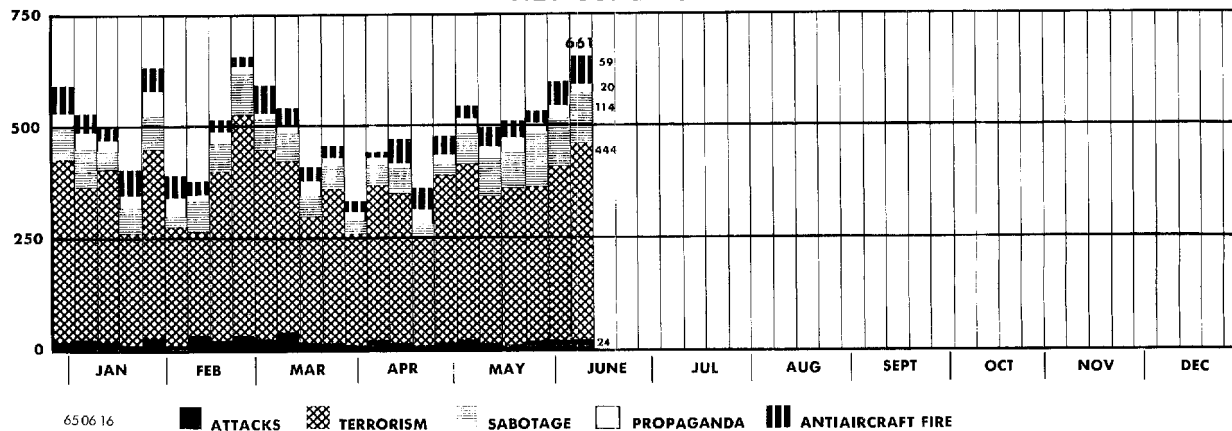
PERSONNEL LOSSES (KILLED IN ACTION, MISSING IN ACTION, CAPTURED)



WEAPONS LOSSES



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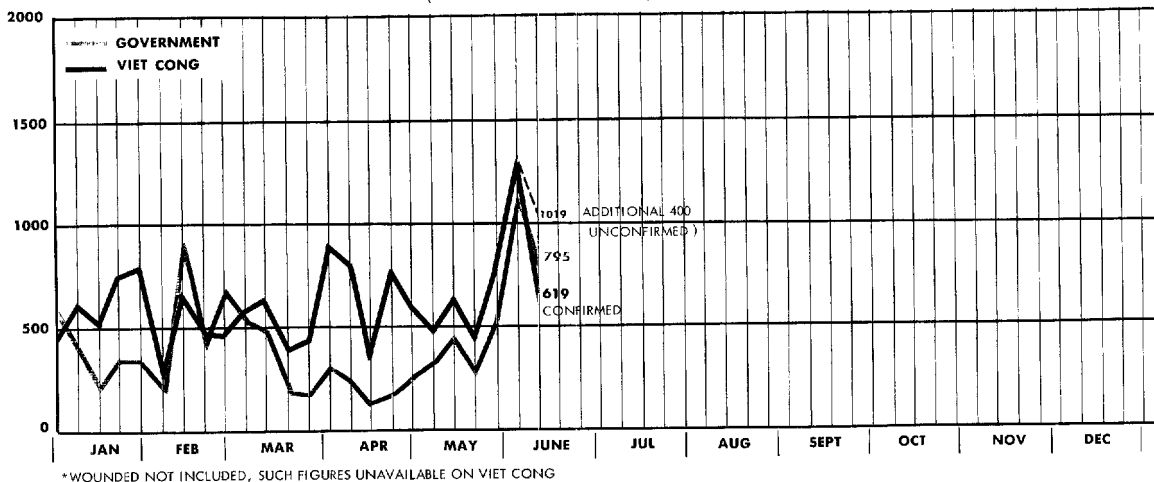
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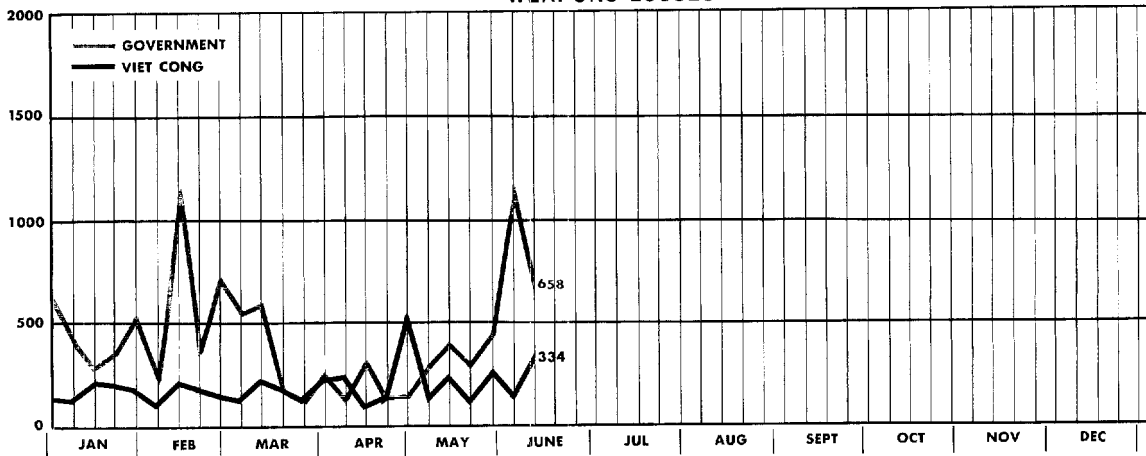
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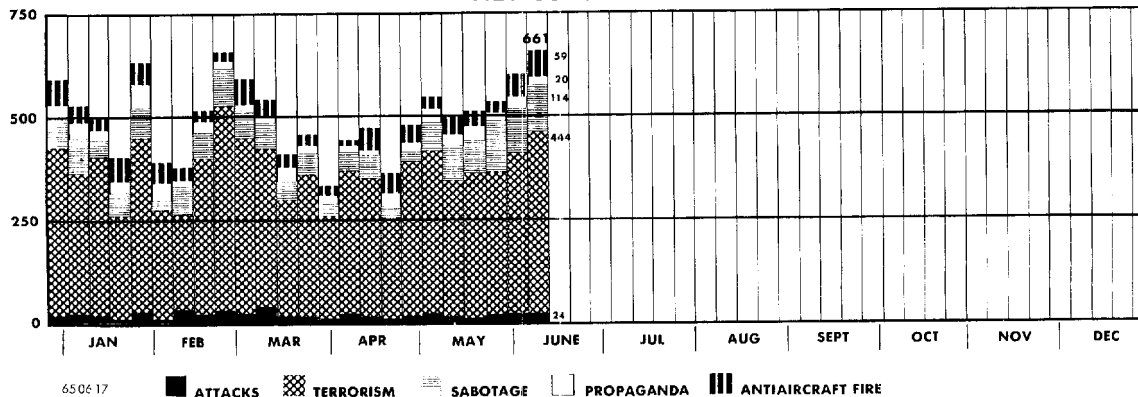
PERSONNEL LOSSES (KILLED IN ACTION, MISSING IN ACTION, CAPTURED)



WEAPONS LOSSES



VIET CONG ACTIVITIES



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